

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORTS
GERONIMO
INDEPENDENT SCHOOL DISTRICT
NO. 4
COMANCHE COUNTY, OKLAHOMA
JUNE 30, 2013**

GERONIMO INDEPENDENT SCHOOL DISTRICT NO. 4
COMANCHE COUNTY, OKLAHOMA
JUNE 30, 2013

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COMANCHE COUNTY, OKLAHOMA
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* The required internal control, compliance, and schedule of findings and questioned costs are required by Government Auditing Standards and OMB Circular A-133 when a single audit is applicable.

**GERONIMO INDEPENDENT SCHOOL DISTRICT NO. I-4, COMANCHE COUNTY
SCHOOL DISTRICT OFFICIALS
JUNE 30, 2013**

BOARD OF EDUCATION

President	Donald McCaig
Vice President	Curtis Sims
Clerk	Joe Rodrick
Member	Mike Johnson
Member	Rodney Crow

SUPERINTENDENT OF SCHOOLS

Charles Karpe 7/01/12 to 5/20/13
Ernest Copus 5/22/13 to 6/30/13

ENCUMBRANCE CLERK

Pam McLain

SCHOOL DISTRICT TREASURER

Darrel Johnston



BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

JAMES M. KUYKENDALL
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580-832-5313
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INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Education
Geronimo Independent School District No. 4
Geronimo, Comanche County, Oklahoma

Report on the Financial Statements

We have audited the accompanying fund type and account group financial statements of Geronimo Independent School District No. 4, Oklahoma, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Geronimo Independent School District No. 4, Oklahoma's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting and financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1, Geronimo Independent School District No. 4, Oklahoma, prepares its financial statements in conformity with the accounting and financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The differences between the regulatory basis of accounting and accounting principles generally accepted in the United States of America are also described in Note 1.

As discussed in Note 1, the financial statements referred to above do not include the General Fixed Asset Account Group. The amount that should be recorded in the General Fixed Asset Account Group is not known.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the School's policy to prepare its financial statements on the basis of accounting discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Geronimo Independent School District No. 4, Oklahoma, as of June 30, 2013, or the results of its operations for the year then ended.

Opinion on Regulatory Basis of Accounting

However, in our opinion, except for the omission of the general fixed asset account group as discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraphs, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances arising from regulatory basis transactions of each fund type and account group of Geronimo Independent School District No. 4, Oklahoma, as of June 30, 2013, and the revenues it received and expenditures it paid for the year then ended, on the regulatory basis of accounting described in Note 1.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the fund type and account group financial statements that collectively comprise Geronimo Independent School District No. 4, Oklahoma's basic financial statements. The accompanying supplementary information such as the Combining Financial Statements and Schedule of Expenditures of Federal Awards, as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Financial Statements and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the fund type and account group financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the financial statements being prepared in compliance with the regulatory basis as prescribed by the Oklahoma State Department of Education as discussed in Note 1, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 21, 2013, on our consideration of Geronimo Independent School District No. 4, Oklahoma's, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Geronimo Independent School District No. 4, Oklahoma's internal control over financial reporting and compliance.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL & MILLER
Certified Public Accountants

Geronimo, Oklahoma
October 10, 2013

COMBINED FINANCIAL STATEMENTS

Geronimo School District No.1-004, Comanche County, Oklahoma
Combined Statement of Assets, Liabilities and Fund Balances
Regulatory Basis - All Fund Types and Account Groups
For the Year Ending June 30, 2013

ASSETS	Governmental Fund Types					Fiduciary Fund Types	Account Group	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency			
Cash and Cash Equivalents	\$ 564,589	\$ 83,344	\$ 24,841	\$ 80,331	\$ 35,759			\$ 788,864
Investments	0	0	0	0	0			0
Amounts Available in Debt Service Fund	0	0	0	0	0		24,841	24,841
Amounts to be Provided for Retirement of General Long-Term Debt	0	0	0	0	0		400,159	400,159
Amounts to be Provided For Capitalized Lease Agreements	0	0	0	0	0		3,095,674	3,095,674
Total Assets	\$ 564,589	\$ 83,344	\$ 24,841	\$ 80,331	\$ 35,759		\$ 3,520,674	\$ 4,309,538
LIABILITIES AND FUND BALANCE								
Liabilities:								
Warrants Payable	\$ 47,434	\$ 11,047	\$ 0	\$ 0	\$ 0		0	\$ 58,481
Reserve for Encumbrances	4,622	70	0	0	0		0	4,692
Due to Activity Groups	0	0	0	0	35,759		0	35,759
General Obligation Bonds Payable	0	0	0	0	0		425,000	425,000
Capitalized Lease Obligations Payable	0	0	0	0	0		3,095,674	3,095,674
Total Liabilities	\$ 52,056	\$ 11,117	\$ 0	\$ 0	\$ 35,759		\$ 3,520,674	\$ 3,619,606
Fund Balances:								
Restricted For:								
Debt Service	\$ 0	\$ 0	\$ 24,841	\$ 0	\$ 0		0	\$ 24,841
Capital Projects	0	0	0	80,331	0		0	80,331
Building Programs	0	18,075	0	0	0		0	18,075
Child Nutrition Programs	0	67,293	0	0	0		0	67,293
Cooperative Programs	0	(13,140)	0	0	0		0	(13,140)
Unassigned	512,532	0	0	0	0		0	512,532
Total Fund Balances	\$ 512,532	\$ 72,227	\$ 24,841	\$ 80,331	\$ 0		\$ 0	\$ 689,932
Total Liabilities and Fund Balances	\$ 564,589	\$ 83,344	\$ 24,841	\$ 80,331	\$ 35,759		\$ 3,520,674	\$ 4,309,538

The notes to the financial statements are an integral part of this statement.

Geronimo School District No.1-004, Comanche County, Oklahoma
Combined Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balances
Regulatory Basis - All Governmental Fund Types
For the Year Ending June 30, 2013

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	June 30, 2013
Revenue Collected:					
Local Sources	\$ 727,041	\$ 123,486	\$ 414,876	\$ 0	\$ 1,265,403
Intermediate Sources	48,887	0	0	0	48,887
State Sources	1,382,942	16,084	0	0	1,399,025
Federal Sources	337,707	174,842	0	0	512,550
Non-Revenue Receipts	574	100	0	0	673
<i>Total Revenue Collected</i>	<u>\$ 2,497,151</u>	<u>\$ 314,512</u>	<u>\$ 414,876</u>	<u>\$ 0</u>	<u>\$ 3,226,539</u>
Expenditures Paid:					
Instruction	\$ 1,428,275	\$ 25,169	\$ 0	\$ 0	\$ 1,453,444
Support Services	947,247	88,989	0	0	1,036,236
Operation of Non-Instructional Services	10,680	182,353	0	0	193,033
Facilities Acquisition and Construction	38,020	0	0	385,000	423,020
Other Outlays	574	153	0	0	727
Other Uses	0	0	0	0	0
Repayments	2,305	412	0	0	2,717
Interest Paid on Warrants and Bank Charges	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	400,000	0	400,000
Interest and Fiscal Agent Fees	0	0	8,400	0	8,400
<i>Total Expenditures Paid</i>	<u>\$ 2,427,101</u>	<u>\$ 297,077</u>	<u>\$ 408,400</u>	<u>\$ 385,000</u>	<u>\$ 3,517,577</u>
<i>Excess of Revenues Collected Over (Under) Expenditures Paid Before Adjustments to Prior Year Encumbrances</i>	<u>\$ 70,050</u>	<u>\$ 17,436</u>	<u>\$ 6,476</u>	<u>\$ (385,000)</u>	<u>\$ (291,038)</u>
Adjustments to Prior Year Encumbrances	<u>\$ 4,592</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,592</u>
Other Financing Sources (Uses):					
Estopped Warrants	\$ 0	\$ 65	\$ 0	\$ 0	\$ 65
Bond Proceeds	0	0	0	425,000	425,000
Transfers In	11	0	0	0	11
Transfers Out	(200)	0	0	0	(200)
<i>Total Other Financing Sources (Uses)</i>	<u>\$ (189)</u>	<u>\$ 65</u>	<u>\$ 0</u>	<u>\$ 425,000</u>	<u>\$ 424,876</u>
<i>Excess (Deficiency) of Revenue Collected Over Expenditures Paid and Other Financing Sources (Uses)</i>	<u>\$ 74,453</u>	<u>\$ 17,501</u>	<u>\$ 6,476</u>	<u>\$ 40,000</u>	<u>\$ 138,430</u>
<i>Fund Balance - Beginning of Year</i>	<u>438,079</u>	<u>54,727</u>	<u>18,366</u>	<u>40,331</u>	<u>551,502</u>
<i>Fund Balance - End of Year</i>	<u><u>\$ 512,532</u></u>	<u><u>\$ 72,227</u></u>	<u><u>\$ 24,841</u></u>	<u><u>\$ 80,331</u></u>	<u><u>\$ 689,932</u></u>

The notes to the financial statements are an integral part of this statement.

Geronomo School District No.1-004, Comanche County, Oklahoma
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Regulatory Basis - Budgeted Governmental Fund Types
For the Year Ending June 30, 2013

	General Fund			Special Revenue Funds			Debt Service Fund		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
Revenue Collected:									
Local Sources	\$ 555,662	\$ 555,662	\$ 727,041	\$ 106,289	\$ 106,289	\$ 123,486	\$ 390,034	\$ 390,034	\$ 414,876
Intermediate Sources	46,500	46,500	48,887	0	0	0	0	0	0
State Sources	1,358,256	1,358,256	1,382,942	3,000	3,000	16,084	0	0	0
Federal Sources	138,000	138,000	337,707	153,000	154,494	174,842	0	0	0
Non-Revenue Receipts	0	0	574	0	0	100	0	0	0
Total Revenue Collected	\$ 2,098,418	\$ 2,098,418	\$ 2,497,151	\$ 262,289	\$ 263,783	\$ 314,512	\$ 390,034	\$ 390,034	\$ 414,876
Expenditures Paid:									
Instruction	\$ 1,527,678	\$ 1,527,678	\$ 1,428,275	\$ 25,000	\$ 25,000	\$ 25,169	\$ 0	\$ 0	\$ 0
Support Services	972,675	972,675	947,247	96,894	98,388	88,989	0	0	0
Operation of Non-Instructional Services	18,390	18,390	10,680	195,122	195,122	182,353	0	0	0
Facilities Acquisition and Construction	8,364	8,364	38,020	0	0	0	0	0	0
Other Outlays	3,427	3,427	574	0	0	153	408,400	408,400	408,400
Other Uses	0	0	0	0	0	0	0	0	0
Repayments	5,700	5,700	2,305	0	0	412	0	0	0
Interest Paid on Warrants and Bank Charges	54	54	0	0	0	0	0	0	0
Total Expenditures Paid	\$ 2,536,288	\$ 2,536,288	\$ 2,427,101	\$ 317,016	\$ 318,510	\$ 297,077	\$ 408,400	\$ 408,400	\$ 408,400
Excess of Revenues Collected Over (Under) Expenditures Paid Before Adjustments to Prior Year Encumbrances	\$ (437,870)	\$ (437,870)	\$ 70,050	\$ (54,727)	\$ (54,727)	\$ 17,436	\$ (18,366)	\$ (18,366)	\$ 6,476
Adjustments to Prior Year Encumbrances	\$ 0	\$ 0	\$ 4,592	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Financing Sources (Uses):									
Estopped Warrants	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 65	\$ 0	\$ 0	\$ 0
Transfers In	0	0	11	0	0	0	0	0	0
Transfers Out	(209)	(209)	(200)	0	0	0	0	0	0
Total Other Financing Sources (Uses)	\$ (209)	\$ (209)	\$ (189)	\$ 0	\$ 0	\$ 65	\$ 0	\$ 0	\$ 0
Excess (Deficiency) of Revenue Collected Over Expenditures Paid and Other Financing Sources (Uses)	\$ (438,079)	\$ (438,079)	\$ 74,453	\$ (54,727)	\$ (54,727)	\$ 17,501	\$ (18,366)	\$ (18,366)	\$ 6,476
Fund Balance - Beginning of Year	438,079	438,079	438,079	54,727	54,727	54,727	18,366	18,366	18,366
Fund Balance - End of Year	\$ (0)	\$ (0)	\$ 512,532	\$ (0)	\$ (0)	\$ 72,227	\$ (0)	\$ (0)	\$ 24,841

The notes to the financial statements are an integral part of this statement.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 1 - Summary of Significant Accounting Policies

The basic financial statements of the Geronimo Public Schools Independent District No. 4, Comanche County, Oklahoma (the "District") have been prepared in conformity with an other comprehensive basis of accounting as prescribed by the Oklahoma State Department of Education. The more significant of the District's accounting policies are described below.

1.A. Reporting Entity

The District is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and accordingly is a separate entity for operating and financial reporting purposes.

The District is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on the State of Oklahoma support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes.

The governing body of the District is the Board of Education composed of elected members. The appointed superintendent is the executive officer of the District.

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the District and /or its citizens, or whether the activity is conducted within the geographic boundaries of the District and is generally available to its patrons. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no potential component units included in the District's reporting entity. The District has various supporting groups. However, the District does not appoint any of the board members or exercise any oversight authority over these groups and the dollar amounts are not material to the District.

1.B. Fund Accounting

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain district functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 1 - Summary of Significant Accounting Policies, (continued)

1.B. Fund Accounting, Governmental Fund Types, (continued)

Governmental Fund Types

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds).

1. General Fund - The General Fund is used to account for all financial transactions except those required to be accounted for in another fund. Major revenues sources include state and local property taxes and state funding under the Foundation and Incentive Aid Program.

Expenditures include all costs associated with the daily operations of the schools except for programs funded for building repairs and maintenance, school construction and debt service on bonds and other long-term debt. The general fund includes federal and state restricted monies that must be expended for specific programs.

2. Special Revenue Funds - The Special Revenue Funds of the District consist of the Building Fund, Cooperative Fund, and the Child Nutrition Fund.

Building Fund - The Building Fund consists of monies derived from property taxes levied for the purpose of erecting, remodeling, or repairing buildings and for purchasing furniture and equipment.

Cooperative Fund - The Cooperative Fund consists of monies received from a Carl Perkins Grant. Geronimo school serves as the LEA for several schools in the county. The expenditures for this fund consist of those necessary to operate and maintain the joint program.

Child Nutrition Fund - The Child Nutrition Fund consists of monies collected from meals served to students and employees of the district and is expended on food, supplies and salaries to operate the lunchroom. The district also deposits reimbursements received from the National School Lunch and Breakfast programs into this fund.

3. Debt Service Fund - The debt service fund is the District's Sinking Fund and is used to account for the accumulation of financial resources for the payment of general long-term debt principal, interest and related costs. The primary revenue sources are local property taxes levied specifically for debt service and interest earnings from temporary investments.

4. Capital Projects Fund - The capital projects fund consists of the District's 2011 Building Bond Fund. This fund is used to account for the proceeds of bond sales to be used exclusively for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 1 - Summary of Significant Accounting Policies, (continued)

1.B. Fund Accounting, (continued)

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District. When these assets are held under the terms of a formal trust agreement, trust funds are used for their accounting and reporting. Agency funds generally are used to account for assets that the District holds on behalf of others as their agent and do not involve measurement of results of operations.

1. Agency Funds - The Agency Fund is the School Activities fund, which is used to account for monies, collected principally through fundraising efforts of the students and District-sponsored groups. The administration is responsible, under the authority of the Board, of collecting, disbursing and accounting for these activity funds.

Account Groups

Account groups are not funds and consist of a self-balancing set of accounts used only to establish accounting control over long-term debt and general fixed assets not accounted for in proprietary funds.

1. General long-term Debt Account Group - This account group is used to account for all long-term debt of the District, which is offset by the amount available in the debt service fund and the amount to be provided in future years to complete retirement of the debt principal. It is also used to account for liabilities for compensated absences and early retirement incentives, which are to be paid from funds provided in future years.

2. General Fixed Asset Account Group - This account group is used to account for property, plant and equipment of the District. The District does not have the information necessary to include this group in its combined financial statements.

Memorandum Only - Total Column

The total column on the general purpose financial statements is captioned "memorandum only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 1 - Summary of Significant Accounting Policies, (continued)

1.C. Basis of Accounting and Presentation

The District prepares its financial statements in a presentation format that is prescribed by the Oklahoma State Department of Education. This format is essentially the generally accepted form of presentation used by state and local governments prior to the effective date of GASB 34, *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments*. This format significantly differs from that required by GASB 34.

The basic financial statements are essentially prepared on a basis of cash receipts and disbursements modified as required by the regulations of the Oklahoma State Department of Education (OSDE) as follows:

- Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies and are recorded as expenditures when approved.
- Investments and inventories are recorded as assets when purchased.
- Capital assets in proprietary funds are recorded when acquired and depreciated over their useful lives.
- Warrants payable are recorded as liabilities when issued.
- Long-term debt is recorded when incurred.
- Accrued compensated absences are recorded as an expenditure and liability when the obligation is incurred.

This regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable, or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred for governmental fund types; and, when revenues are earned and liabilities are incurred for proprietary fund types and trust funds.

1.D. Budgets and Budgetary Accounting

The District is required by state law to prepare an annual budget. The board of education requests an initial temporary appropriations budget from the county excise board before June 30. Then no later than October 1, the board of education prepares financial statement and estimate of needs and files it with the applicable county clerk and the State Department of Education. The final budget may be revised upon approval of the board of education and the county excise board.

Under current Oklahoma Statutes, a formal budget is required for all funds except for trust and agency funds. Budgets are presented for all funds that include the originally approved budgeted appropriations for expenditures and final budgeted appropriations as adjusted for supplemental appropriations and approved transfers between budget categories.

1.E. Assets, Liabilities and Fund Equity

Cash and Cash Equivalents – For purposes of the statement of cash flows, the District considers all cash on hand, demand deposits, and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

Investments - Investments consist of direct obligations of the United States government and agencies with maturities greater than three months when purchased. All investments are records at cost, which approximated market value.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 1 - Summary of Significant Accounting Policies, (continued)

1.E. Assets, Liabilities and Fund Equity, (continued)

Property Tax Revenues – The District is authorized by state law to levy property taxes, which consist of ad valorem taxes on real and personal property within the District. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax roll for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes are due prior to January 1. The second half is due prior to April 1.

If the first payment is not made timely, the entire tax becomes due and payable on January 2. Second half taxes become delinquent on April 1 of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property.

Inventories – The value of consumable inventories at June 30, 2013, is not material to the basic financial statements.

Fixed Assets and Property, Plant and Equipment - The General Fixed Asset Account Group has not been presented.

Compensated Absences - Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. There are no amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. Vested accumulated rights to receive sick pay benefits have not been reported in the general long-term debt account group since the amount is not material to the financial statements.

Long-Term Debt – Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

Fund Balance - In the fund financial statements, governmental funds report the hierarchy of fund balances. The hierarchy is based primarily on the degree of spending constraints placed upon use of resources for specific purposes versus availability of appropriation. An important distinction that is made in reporting fund balance is between amounts that are considered *nonspendable* (i.e., fund balance associated with assets that are *not in spendable form*, such as inventories or prepaid items, long-term portions of loans and notes receivable, or items that are legally required to be maintained intact (such as the corpus of a permanent fund) and those that are spendable (such as fund balance associated with cash, investments or receivables).

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 1 - Summary of Significant Accounting Policies, (continued)

1.E. Assets, Liabilities and Fund Equity, (continued)

Amounts in the *spendable* fund balance category are further classified as *restricted*, *committed*, *assigned* or *unassigned*, as appropriate.

Restricted fund balance represents amounts that are constrained either externally by creditors (such as debt covenants), grantors, contributors or laws or regulations of other governments; or by law, through constitutional provisions or enabling legislation.

Committed fund balance represents amounts that are useable only for specific purposes by formal action of the government's highest level of decision-making authority. Such amounts are not subject to legal enforceability (like restricted amounts), but cannot be used for any other purpose unless the government removes or changes the limitation by taking action similar to that which imposed the commitment.

Assigned fund balance represents amounts that are intended to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the governing body itself, or a subordinated high-level body or official who the governing body has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balances includes all remaining spendable amounts (except negative balances) that are reported in governmental funds other than the general fund, that are neither restricted nor committed, and amounts in the general fund that are intended to be used for specific purpose in accordance with the provisions of the standard.

Unassigned fund balance is the residual classification for the general fund. It represents the amounts that have not been assigned to other funds, and that have not been restricted, committed, or assigned to specific purposes within the general fund.

1.F. Revenue, Expenses, and Expenditures

State Sources - Revenues from state sources for current operations are primarily governed by the state aid formula under provisions of Article XVIII, Title 70, Oklahoma Statutes. The State Board of Education administers the allocation of the state aid funds to school districts based on information accumulated from the districts.

After review and verification of reports and supporting documentation, the State Department of Education may adjust subsequent fiscal period allocations of money for prior year errors disclosed by review. Normally, such adjustments are treated as reductions or additions of revenue of the year when the adjustment is made.

The District receives revenue from the state to administer certain categorical education programs. The State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided. These rules also require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs. The State Department of Education requires that categorical educational program revenues be accounted for in the general fund.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 1 - Summary of Significant Accounting Policies, (continued)

1.F. Revenue, Expenses, and Expenditures, (continued)

Interfund Transactions - Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund or expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Transfers in/transfers out may not agree because activity fund transactions are not included.

Note 2 – Deposit and Investment Risk

The District held the following deposits and investments at June 30, 2013:

			Carrying Value
			<hr/>
Deposits			
		\$	789,762
			<hr/>
			0
		\$	<hr/>
			789,762
			<hr/>
Investments			
	<u>Credit Rating</u>	<u>Maturity</u>	<u>Fair Value</u>
			<hr/>
		\$	0
			<hr/>
		\$	0
			<hr/>
Total Investments			
		\$	<hr/>
			0
			<hr/>
Reconciliation to the Combined Statement of Assets, Liabilities and Equity			
		\$	788,864
			<hr/>
			898
			<hr/>
		\$	789,762
			<hr/>

Custodial Credit Risk – Exposure to custodial credit related to deposits exists when the District holds deposits that are uninsured and uncollateralized; collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the District's name; or collateralized without a written or approved collateral agreement. Exposure to custodial credit risk related to investments exists when the District holds investments that are uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the District's name.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 2 – Deposit and Investment Risk, (continued)

The District's policy as it relates to custodial credit risk is to secure its uninsured deposits with collateral, valued at no more than market value, at least at a level of 100 percent of the uninsured deposits and accrued interest thereon. The investment policy and state law also limits acceptable collateral to U.S. Treasury and agency securities and direct debt obligations of the state, municipalities, counties, and school districts in the state of Oklahoma, surety bonds, and letters of credit. As required by Federal 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the District must have a written collateral agreement approved by the board of directors or loan committee.

At June 30, 2013, the District was not exposed to custodial credit risk as defined above.

Investment Credit Risk – The District has no investment policy that limits its investment choices other than the limitations of state law that generally authorize investment in:

- a. Direct obligations of the U.S. Government, its agencies and instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.
- b. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully uninsured certificates of deposit or savings accounts in out-of-state financial institutions.
- c. With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper and repurchase agreements with certain limitations.
- d. County, municipal or school district tax supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality or school district.
- e. Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligations of the National Mortgage Association.
- f. Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous paragraphs a., b., c., and d.

Investment credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The District has no formal policy limiting investments based on credit rating, but discloses any such credit risk associated with their investment by reporting the credit quality ratings of investment in debt securities as determined by nationally recognized statistical rating organizations-rating agencies- as of the year end. Unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

As noted in the schedule of deposits and investments above, at June 30, 2013, the District did not have any investments.

Investment Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District discloses its exposure to interest rate risk by disclosing the maturity dates of its various investments. The district did not have any investments at June 30, 2013.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 2 – Deposit and Investment Risk, (continued)

Concentration of Investment Credit Risk – Exposure to concentration of credit risk is considered to exist when investments in any one issuer represent a significant percent of total investments of the District (any over 5 percent are disclosed). Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this consideration. The District places no limit on the amount it may invest in any one issuer.

At June 30, 2013, the District had no concentration of credit risk as defined above.

Note 3 - General Long-term Debt

State statutes prohibit the District from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the District's voters. Bond issues have been approved by the voters and issued by the District for various capital improvements and transportation purposes. These bonds are required to be fully paid serially within 25 years from the date of issue.

General long-term debt of the District consists of bonds payable and capital leases. Debt service requirements for bonds are payable solely from the fund balance and future revenues of the debt service fund.

The following is a summary of the long-term debt transactions of the District for the year ended June 30, 2013:

	Bonds Payable	Capital Lease Obligations	Compensated Absences	Total
Balance July 1, 2012	\$400,000	\$3,346,959	\$ 0	\$3,746,959
Additions	425,000	0	0	425,000
Retirements	400,000	251,285	0	651,285
Balance, June 30, 2013	\$425,000	\$3,095,674	\$ 0	\$3,520,674

A brief description of the outstanding general obligation bond issues at June 30, 2013, is set forth below:

	Interest Rate	Maturity Date	Amount Issued	Amount Outstanding
2012 Building Bonds	.75%	July 1, 2014	\$ 425,000	\$ 425,000
Totals			\$ 425,000	\$ 425,000

Presented below is a summary of debt service requirements to maturity by years and by each bond issue:

	Principal	Interest	Total
2012 Building Bonds			
2013-14	\$	\$ 3,188	\$ 3,188
2014-15	425,000	3,187	428,187
Sub Total	\$ 425,000	\$ 6,375	\$ 431,375
Total Bonds	\$ 425,000	\$ 6,375	\$ 431,375

Interest expense on bonds payable incurred during the current year totaled \$8,400.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 3 - General Long-term Debt, (continued)

The District has entered into lease agreements as lessee for financing the construction of new school buildings, buses, and equipment. These lease agreements qualify as capital leases for accounting purposes since title transfers at the end of the lease terms and they have been recorded at the present value of the future minimum lease payments. These leases contain a clause which gives the District the ability to terminate the lease agreements at the end of each fiscal year.

As noted in Note 1 to the financial statements, the District does not record fixed assets in the financial statements. Consistent with this, the District has not recorded the above assets as assets in the General Fixed Assets Account Group. The District has recorded the liability for future lease payments in the general long-term debt account group for the above lease. The schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments at June 30, is as follows:

Year Ending June 30	<u>Construction</u>	<u>Equipment</u>	<u>Bus Lease</u>	<u>Total</u>
2014	\$ 390,000	\$ 43,597	\$ 18,305	\$ 451,902
2015	2,850,000	43,597	18,305	2,911,902
2016	0	43,597	18,305	61,902
2017	<u>0</u>	<u>43,597</u>	<u>0</u>	<u>43,597</u>
Total	\$ <u>3,240,000</u>	\$ <u>174,388</u>	\$ <u>54,915</u>	\$ <u>3,469,303</u>
Less: Amount Representing				
Interest	(348,374)	(20,688)	(4,567)	(373,629)
Present Value of Future Minimum				
Lease Payments	\$ <u><u>2,891,626</u></u>	\$ <u><u>153,700</u></u>	\$ <u><u>50,348</u></u>	\$ <u><u>3,095,674</u></u>

Note 4 - Employee Retirement System

Plan Description - The District participates in the state-administered Oklahoma Teachers' Retirement System (the "System") which is a cost-sharing multiple-employer defined benefit Public Employee Retirement System. Under the System the District, the State of Oklahoma, and the participating employees make contributions. Participation is required for all teachers and other certified employees and is optional for all other regular employees of public educational institutions who work at least 20 hours per week. A participant's date of membership is the date the first contribution is made to the System. The System is administered by a board of trustees which acts as a fiduciary for investing the funds and governing the administration of the System. The district has no responsibility or authority for the operation and administration of the System nor has it any liability, except for the current contribution requirements.

The System issues an independent financial report, financial statements and required supplementary information that can be obtained in writing at the Teachers' Retirement System of Oklahoma, P.O. Box 53524, Oklahoma City, OK 73152 or by calling (405) 521-2387.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 4 - Employee Retirement System, (continued)

A participant with five years of creditable service may retire with a normal retirement allowance at the age of sixty-two or with reduced benefits as early as age fifty-five. The normal retirement allowance paid monthly for life and then to beneficiaries, if certain options are exercised, equals two percent or the average of the highest three earning years of contributory service multiplied by the number of years of credited service. A participant leaving employment before attaining retirement age, but completing ten years of service, may elect to vest his accumulated contributions and defer receipt of a retirement annuity until a later date. When a participant dies in active service and has completed ten years of credited service, the beneficiary is entitled to a death benefit of \$18,000, and the surviving spouse may, in lieu of the death benefit, elect to receive, subject to the surviving spousal options, the participant's retirement benefits accrued at the time of death. The contribution rates for the Districts, which are not actuarially determined, and its employees are established by statute and applied to the employee's earnings, plus employer-paid fringe benefits. The District is required by statute to contribute 9.50% of applicable compensation and 16.5% of post employees compensation for the year ended June 30, 2013. The District is allowed by the Oklahoma Teacher's Retirement System to make the required contributions on behalf of the participating members. The required contribution for participating members is 7%.

The District's contributions to the System for the years ending June 30, 2013, 2012, and 2011 were \$120,530, \$137,802, and \$114,977 respectively.

The compensation for employees covered by the System for the year ended June 30, 2013, was \$1,241,952; the District's total compensation was \$1,656,020. In addition to the District's 9.50% and 16.5% contributions, the District was required to pay into the System 8.00% of compensation arising from federal grants (\$9,415). There were \$68,239 contributions made by employees during the year ended June 30, 2013.

The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date and is adjusted for the effect of projected salary increases. There are no actuarial valuations performed on individual school districts. The nonfunded pension benefit obligation of the System as determined as part of the latest actuarial valuation dated June 30, 2012, is as follows:

Total pension obligation	\$ 18,588,042,438
Net assets available for benefits, at cost	<u>10,190,480,780</u>
Nonfunded pension benefit obligation	<u>\$ 8,397,561,658</u>

The System's accounting records are maintained on the cash basis of accounting, except for accruals of interest income.

Ten-year historical trend information is presented in the Teacher's Retirement System of Oklahoma Annual Report for the year ended June 30, 2012. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they come due.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 5 - Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agency. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Note 6 – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; or acts of God. The District purchases commercial insurance to cover these risks, including general and auto liability, property damage, and public officials liability. The District had the following insurance coverage during the year: Commercial property - \$10,829,500; general liability - \$1,000,000; and educators liability \$1,000,000. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

The School also participates in a risk pool for Workers' Compensation coverage in which there is a transfer or pooling of risks among the participants of that pool. In accordance with GASB No. 10, the school reports the required contribution to the pool, net of refunds, as insurance expense. The risk pool is the Oklahoma School Assurance Group (OSAG), an organization formed for the purpose of providing workers' compensation coverage to participating schools in the State of Oklahoma. In that capacity, OSAG is responsible for providing loss control services and certain fiscal activities, including obtaining contract arrangements for the underwriting, excess insurance agreements, claims processing, and legal defense for any and all claims submitted to them during the plan year. As a member of OSAG the District is required to pay fees set by OSAG according to an established payment schedule. A portion of the fees paid by the District goes into a loss fund for the District. The fee for the loss fund is calculated by projecting losses based on the schools losses for the last five year. OSAG provides coverage in excess of the Loss Fund so the District's liability for claim loss is limited to the balance of the loss fund. If the District does not use their loss fund in three years it is returned to them with no interest.

Note 7 - Use of Estimates

The preparation of financial statements in conformity with the cash basis and budget laws of the Oklahoma State Department of Education requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 8 – Budget Amendments

The Co-op Fund Budget was amended one time during the year by filing a supplemental appropriation with the county clerk's office. The supplemental appropriation was filed August 14, 2012 for \$1,494.00. This increased the Building Fund Budget from \$25,000.00 to \$26,494.00.

Geronimo ISD No. 4, Comanche County
Notes To The Financial Statements
For The Year Ended June 30, 2013

Note 9 – Surety Bonds

The superintendent is bonded by Western Surety Co. bond #71296125 for the penal sum of \$100,000 for the one year period beginning July 1, 2012.

The encumbrance/payroll clerk/minutes clerk is bonded by Western Surety Company bond #71274628 for the penal sum of \$10,000 for the period June 1, 2012 to June 1, 2013 and June 1, 2013 to June 1, 2014.

Note 10 – Negative Balance in Cooperative Fund

The Cooperative Fund had a negative (\$13,140) balance as of June 30, 2013. The district had paid some expenses and requested reimbursement. However, the reimbursements didn't come in until after June 30, 2013. Once they came in, the Cooperative Fund showed a zero balance.

Note 11 – Subsequent Events

Management has evaluated subsequent events through October 21, 2013, which is the date the financial statements were available to be issued and have determined that no additional information needs to be added to the financial statements.

OTHER SUPPLEMENTAL INFORMATION

Geronimo School District No. I-004, Comanche County, Oklahoma
Combining Statement of Assets, Liabilities and Fund Balances
Regulatory Basis - All Special Revenue Funds
For the Year Ending June 30, 2013

<u>ASSETS</u>	<u>Building Fund</u>	<u>Child Nutrition Fund</u>	<u>Coop Fund</u>	<u>Total June 30, 2013</u>
Cash and Cash Equivalents	\$ 25,172	\$ 71,312	\$ (13,140)	\$ 83,344
Investments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$ 25,172</u>	<u>\$ 71,312</u>	<u>\$ (13,140)</u>	<u>\$ 83,344</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Warrants Payable	\$ 7,027	\$ 4,020	\$ 0	\$ 11,047
Reserve for Encumbrances	<u>70</u>	<u>0</u>	<u>0</u>	<u>70</u>
<i>Total Liabilities</i>	<u>\$ 7,097</u>	<u>\$ 4,020</u>	<u>\$ 0</u>	<u>\$ 11,117</u>
Fund Balances:				
Restricted	\$ 18,075	\$ 67,293	\$ (13,140)	\$ 72,227
<i>Total Fund Balances</i>	<u>\$ 18,075</u>	<u>\$ 67,293</u>	<u>\$ (13,140)</u>	<u>\$ 72,227</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 25,172</u>	<u>\$ 71,312</u>	<u>\$ (13,140)</u>	<u>\$ 83,344</u>

Geronimo School District No.1-004, Comanche County, Oklahoma
Combining Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balances
Regulatory Basis - Special Revenue Funds
For the Year Ending June 30, 2013

	Building Fund	Child Nutrition Fund	Cooperative Fund	Total June 30, 2013
Revenue Collected:				
Local Sources	\$ 87,224	\$ 36,263	\$ 0	\$ 123,486
Intermediate Sources	0	0	0	0
State Sources	0	16,084	0	16,084
Federal Sources	0	161,489	13,354	174,842
Non-Revenue Receipts	0	100	0	100
<i>Total Revenue Collected</i>	<u>\$ 87,224</u>	<u>\$ 213,935</u>	<u>\$ 13,354</u>	<u>\$ 314,512</u>
Expenditures Paid:				
Instruction	\$ 0	\$ 0	\$ 25,169	\$ 25,169
Support Services	87,818	0	1,172	88,989
Operation of Non-Instructional Services	0	182,353	0	182,353
Facilities Acquisition and Construction	0	0	0	0
Other Outlays	0	0	153	153
Other Uses	0	0	0	0
Repayments	0	412	0	412
Interest Paid and Bank Charges	0	0	0	0
<i>Total Expenditures Paid</i>	<u>\$ 87,818</u>	<u>\$ 182,765</u>	<u>\$ 26,494</u>	<u>\$ 297,077</u>
<i>Excess of Revenues Collected Over (Under) Expenditures Paid Before Adjustments to Prior Year Encumbrances</i>	<u>\$ (594)</u>	<u>\$ 31,170</u>	<u>\$ (13,140)</u>	<u>\$ 17,436</u>
Adjustments to Prior Year Encumbrances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Financing Sources (Uses):				
Estopped Warrants	\$ 65	\$ 0	\$ 0	\$ 65
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>\$ 65</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 65</u>
<i>Excess (Deficiency) of Revenue Collected Over Expenditures Paid and Other Financing Sources (Uses)</i>	<u>\$ (529)</u>	<u>\$ 31,170</u>	<u>\$ (13,140)</u>	<u>\$ 17,501</u>
<i>Fund Balance - Beginning of Year</i>	<u>18,604</u>	<u>36,122</u>	<u>0</u>	<u>54,727</u>
<i>Fund Balance - End of Year</i>	<u><u>\$ 18,075</u></u>	<u><u>\$ 67,293</u></u>	<u><u>\$ (13,140)</u></u>	<u><u>\$ 72,227</u></u>

Geronimo School District No.1-004, Comanche County, Oklahoma
Combining Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balances
Special Revenue Funds - Budget and Actual
For the Year Ending June 30, 2013

	Building Fund			Cooperative Fund			Child Nutrition Fund			Total		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
Revenue Collected:												
Local Sources	\$ 78,289	\$ 78,289	\$ 87,224	\$ 0	\$ 0	\$ 0	\$ 28,000	\$ 28,000	\$ 36,263	\$ 106,289	\$ 106,289	\$ 123,486
Intermediate Sources	0	0	0	0	0	0	0	0	0	0	0	0
State Sources	0	0	0	0	0	0	3,000	3,000	16,084	3,000	3,000	16,084
Federal Sources	0	0	0	25,000	26,494	13,354	128,000	128,000	161,489	153,000	154,494	174,842
Non-Revenue Receipts	0	0	0	0	0	0	0	0	100	0	0	100
Total Revenue Collected	\$ 78,289	\$ 78,289	\$ 87,224	\$ 25,000	\$ 26,494	\$ 13,354	\$ 159,000	\$ 159,000	\$ 213,935	\$ 262,289	\$ 263,783	\$ 314,512
Expenditures Paid:												
Instruction	\$ 0	\$ 0	\$ 0	\$ 25,000	\$ 25,000	\$ 25,169	\$ 0	\$ 0	\$ 0	\$ 25,000	\$ 25,000	\$ 25,169
Support Services	96,894	96,894	87,818	0	1,494	1,172	0	0	0	96,894	98,389	88,989
Operation of Non-Instructional Services	0	0	0	0	0	0	195,122	195,122	182,353	195,122	195,122	182,353
Facilities Acquisition and Construction	0	0	0	0	0	0	0	0	0	0	0	0
Other Outlays	0	0	0	0	0	153	0	0	0	0	0	153
Other Uses	0	0	0	0	0	0	0	0	0	0	0	0
Repayments	0	0	0	0	0	0	0	0	412	0	0	412
Interest Paid	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenditures Paid	\$ 96,894	\$ 96,894	\$ 87,818	\$ 25,000	\$ 26,494	\$ 26,494	\$ 195,122	\$ 195,122	\$ 182,765	\$ 317,016	\$ 318,510	\$ 297,077
Excess of Revenues Collected Over (Under) Expenditures Paid Before Adjustments to Prior Year Encumbrances	\$ (18,604)	\$ (18,604)	\$ (594)	\$ 0	\$ 0	\$ (13,140)	\$ (36,122)	\$ (36,122)	\$ 31,170	\$ (54,727)	\$ (54,727)	\$ 17,436
Adjustments to Prior Year Encumbrances	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Financing Sources (Uses):												
Estopped Warrants	\$ 0	\$ 0	\$ 65	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 65
Transfers In	0	0	0	0	0	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 65	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 65
Excess (Deficiency) of Revenue Collected Over Expenditures Paid and Other Financing Sources (Uses)	\$ (18,604)	\$ (18,604)	\$ (529)	\$ 0	\$ 0	\$ (13,140)	\$ (36,122)	\$ (36,122)	\$ 31,170	\$ (54,727)	\$ (54,727)	\$ 17,501
Fund Balance - Beginning of Year	18,604	18,604	18,604	0	0	0	36,122	36,122	36,122	54,727	54,727	54,727
Fund Balance - End of Year	\$ 0	\$ 0	\$ 18,075	\$ 0	\$ 0	\$ (13,140)	\$ 0	\$ 0	\$ 67,293	\$ (0)	\$ (0)	\$ 72,227

Exhibit A-3

Geronimo School District No.1-004, Comanche County, Oklahoma
Combining Assets, Liabilities and Fund Equity
Activity Fund - Regulatory Basis
For the Year Ending June 30, 2013

	<u>School Activity Fund</u>
<u>ASSETS</u>	
Cash	\$ 35,759
Investments	<u>0</u>
<i>Total Assets</i>	\$ <u><u>35,759</u></u>
 <u>LIABILITIES AND FUND EQUITY</u>	
Liabilities:	
Due To Activity Groups	\$ <u>35,759</u>
<i>Total Liabilities</i>	\$ <u>35,759</u>
Fund Equity:	
Unreserved/Undesignated	\$ <u>0</u>
<i>Total Liabilities and Fund Equity</i>	\$ <u><u>35,759</u></u>

Geronimo School District No.1-004, Comanche County, Oklahoma
Combining Statement of Changes in Assets and Liabilities
Regulatory Basis - Activity Fund
For the Year Ending June 30, 2013

<u>ACTIVITIES</u>	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
Athletics	\$ 4,967	\$ 53,326	\$ 40,837	\$ 17,456
Elementary	591	14,331	13,342	1,580
FFA	5,481	13,559	17,066	1,974
FCCLA	971	889	1,589	271
Cheerleaders	228	2,235	1,334	1,129
FACS	143	0	0	143
Yearbook	150	3,819	2,740	1,229
Misc	290	2,010	2,056	244
Student Council	404	1,667	2,048	23
Vocal Music/Band	1,014	3,812	4,449	377
General Academics	150	164	75	239
Library	3,749	4,464	6,245	1,968
FCA	450	280	633	97
Stanley Kriz Memorial	430	0	0	430
Petty Cash	0	200	200	0
2010 Seniors	456	0	456	0
2011 Seniors	494	0	494	0
Student Scholarships	3,770	2,281	2,250	3,801
2012 Seniors	180	0	180	0
2013 Seniors	1,807	8,469	10,074	202
2014 Seniors	1,361	1,299	2,364	296
Bluejay & Brick	1,488	0	391	1,097
2015 Seniors	840	92	0	932
Leadership	30	0	30	0
2016 Seniors	455	238	25	668
Flower/gift Fund	496	1,409	1,291	614
Speech	400	429	182	647
2017 Seniors	81	395	209	267
2018 Seniors	0	72	0	72
				0
Total Activities	\$ <u>30,879</u>	\$ <u>115,440</u>	\$ <u>110,560</u>	\$ <u>35,759</u>

GERONIMO INDEPENDENT SCHOOL DISTRICT NO. 4
COMANCHE COUNTY, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grantor's Number	Approved Amount	Balance at July 1, 2012	Receipts	Expenditures	Balance at June 30, 2013
<u>U.S. Department of Education Direct Programs:</u>							
<u>2011-2012 Programs</u>							
Title VII - Part A Indian Education	84.060A	561	\$ 0	\$ (11,925)	\$ 11,925	\$ 0	\$ 0
Title VIII - Impact Aid	84.041	591	0	22,591	0	0	22,591
<u>2012-2013 Programs</u>							
Title VI - Small Rural School Achievement S358A	84.358	588	22,299	0	22,299	22,299	0
Title VII - Part A Indian Education	84.060	561	16,057	0	10,590	16,057	(5,467)
Title VIII - Impact Aid	84.041	591	105,440	0	112,216	105,440	6,777
Title VIII - Impact Aid	84.041	592	9,284	0	9,284	9,284	0
Total U.S. Department of Education			153,080	10,666	186,315	153,080	23,901
<u>Passed Through State Department of Education:</u>							
<u>2011-2012 Programs</u>							
Medicaid Resources	93.778	698	0	4,434	0	2,939	1,495
<u>2012-2013 Programs</u>							
Title I	84.010	511	92,982	0	80,027	80,027	0
Title II - Part A	84.367	586	17,462	0	17,462	17,462	0
IDEA B Flowthrough	84.027	621	65,576	0	64,049	65,576	(1,527)
IDEA-B Preschool	84.173	641	691	0	691	691	0
Medicaid Resources	93.778	698	6,859	0	6,859	6,859	0
Carl Perkins	84.048	423	26,494	0	13,354	26,494	(13,140)
Total State Department of Education			210,064	4,434	182,441	200,048	(13,173)
Total U.S. and State Department of Education:			363,143	15,100	348,756	353,127	10,728
<u>U.S. Department of Interior:</u>							
<u>Passed Through Chickasaw Nation:</u>							
Johnson O'Malley	15.130	563	0	5,312	0	5,272	40
Johnson O'Malley	15.130	563	2,345	0	2,305	200	2,105
Total State Department of Interior			2,345	5,312	2,305	5,472	2,145
<u>U.S. Department of Agriculture:</u>							
<u>Passed Through State Dept. of Education:</u>							
Cash Assistance:							
National School Lunch Program	10.555	763	110,590	18,855	110,590	110,590	18,855
School Breakfast Program	10.553	764	47,846	17,421	47,846	47,846	17,421
Summer Food Program	10.559	766	0	(3,053)	3,053	3,229	(3,229)
Non-Cash Assistance (Commodities):							
National School Lunch Program	10.555	n/a	7,813	0	7,813	7,813	0
Total U.S. Department of Agriculture			166,249	33,223	169,302	169,478	33,047
Total Federal Assistance			\$ 529,392	\$ 53,635	\$ 520,363	\$ 528,078	\$ 45,920

Note - The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Nonmonetary assistance in the form of commodities is reported in the schedule at the fair market value of the commodities received and disbursed.

INTERNAL CONTROL AND COMPLIANCE REPORTS



BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

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RICK D. MILLER

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Honorable Board of Education
Geronimo Independent School District No. 4
Geronimo, Comanche County, Oklahoma

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the fund type and account group financial statements of Geronimo Independent School District No. 4, Oklahoma, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Geronimo Independent School District No. 4, Oklahoma's basic financial statements, and have issued our report thereon dated October 21, 2013. As stated in our report, the financial statements were prepared in compliance with the cash basis as prescribed by the Oklahoma State Department of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. In our report, our opinion was qualified because the omission of the General Fixed Assets Account Group results in an incomplete presentation.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Geronimo Independent School District No. 4, Oklahoma's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Exhibit C-1

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Geronimo Independent School District No. 4, Oklahoma's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* in the United States of America.

However, we noted certain matters that we have reported to the Board of Education and administrative employees of Geronimo Independent School District No. 4, Oklahoma, in a separate statement of audit comments included with this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



BRITTON, KUYKENDALL AND MILLER
Certified Public Accountants

Geronimo, Oklahoma
October 21, 2013



BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Board of Education
Geronimo Independent School District No. 4
Geronimo, Comanche County, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited Geronimo Independent School District No. 4, Oklahoma's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Geronimo Independent School District No. 4, Oklahoma's major federal programs for the year ended June 30, 2013. Geronimo Independent School District No. 4, Oklahoma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Geronimo Independent School District No. 4, Oklahoma's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Geronimo Independent School District No. 4, Oklahoma's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Geronimo Independent School District No. 4, Oklahoma's compliance.

Exhibit D-1

Opinion on Each Major Federal Program

In our opinion, Geronimo Independent School District No. 4, Oklahoma, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control over Compliance

Management of Geronimo Independent School District No. 4, Oklahoma, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Geronimo Independent School District No. 4, Oklahoma's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



BRITTON, KUYKENDALL AND MILLER
Certified Public Accountants

Geronimo, Oklahoma
October 21, 2013

Exhibit D-2

**GERONIMO ISD NO. 4, COMANCHE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

SUMMARY OF AUDITOR'S RESULTS

TYPE OF REPORT ISSUED ON THE FINANCIAL STATEMENTS:	Adverse Opinion
MATERIAL WEAKNESSES IDENTIFIED IN INTERNAL CONTROL OVER FINANCIAL REPORTING:	No
SIGNIFICANT DEFICIENCIES IDENTIFIED IN INTERNAL CONTROL OVER FINANCIAL REPORTING THAT ARE NOT CONSIDERED TO BE MATERIAL WEAKNESSES:	No
DISCLOSURES OF NONCOMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS:	(None Reported)
MATERIAL WEAKNESSES IDENTIFIED IN INTERNAL CONTROL OVER MAJOR FEDERAL AWARD PROGRAMS:	No
SIGNIFICANT DEFICIENCIES IDENTIFIED IN INTERNAL CONTROL OVER MAJOR FEDERAL AWARD PROGRAMS THAT ARE NOT CONSIDERED TO BE MATERIAL WEAKNESSES:	No
TYPE OF REPORT ISSUED ON COMPLIANCE FOR MAJOR PROGRAMS:	Unqualified Opinion
AUDIT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH SECTION 510(A) OF OMB CIRCULAR A-133:	No
MAJOR PROGRAMS:	84.041 Title VIII, Impact Aid 84.060 Title VII, Indian Education 84.010 Title I 84.027 IDEA-B Flow Through 84.173 IDEA-B Preschool
DOLLAR THRESHOLD USED TO DISTINGUISH BETWEEN TYPE A AND B PROGRAMS:	\$300,000
QUALIFIED LOW-RISK AUDITEE:	No
FINDINGS & QUESTIONED COSTS FOR FEDERAL AWARDS	(None Reported)

GERONIMO INDEPENDENT SCHOOL DISTRICT NO. 4
COMANCHE COUNTY, OKLAHOMA
AUDIT COMMENTS
JUNE 30, 2013

CURRENT YEAR

- 13-1 During our audit, we noted that some of the equipment purchased with federal funds was not properly labeled as required by the federal program guidelines. All equipment purchased with federal funds should be labeled with the name of the federal program and the fiscal year the equipment was purchased in for tracking purposes.
- 13-2 During our audit of the Activity Funds, we found that money being receipted by several of the Activity Fund Sponsors was not being forwarded to the Activity Fund Custodians on a timely basis. Per 70 O.S. 5-129, state law requires that sponsors deposit money daily.
- 13-3 During our audit of the General fund, we noted instances where invoices were dated before the actual purchase order or requisition form was approved. All purchase orders must be approved by the purchasing agent to allow any purchase to be made or any order placed. Funds are not to be obligated without authorization by the purchasing agent.
- 13-4 During our audit of the General fund, we noted instances where invoices were not signed to verify receipt of goods or services. The person receiving goods or services should sign the invoice, statement, or delivery ticket to indicate that the goods or services were received and in good condition.
- 13-5 During our audit of the payroll records, we noted some extra duty pay where remuneration for services exceeding \$500.00 did not have a written extra duty contract as required by Title 70, Section 5-123 of the Oklahoma statutes.
- 13-6 During our audit, we noted that the treasurer did not have a surety bond in the penal sum of not less than \$100,000.00. Each required individual should be covered by a surety bond meeting minimum amounts as stated in school law.
- 13-7 During our audit, we noted that at year end the District exceeded its allowable net cash resources on hand for the Child Nutrition fund. Per USDA regulation 210.9(a)(2) and (b) the net cash resources may not exceed three months average expenditures of its school food service program. The District should monitor the carryover balance to stay within allowable limits.

**GERONIMO INDEPENDENT SCHOOL DISTRICT NO. 4
COMANCHE COUNTY, OKLAHOMA
AUDIT COMMENTS
JUNE 30, 2013**

PRIOR YEAR

- 12-1 We noted several activity fund sub-accounts sponsors were not issuing receipts to all students, not filling out reconciliation forms for each fundraiser, and not documenting the source of revenue (fundraiser name) on all receipts issued.
- 12-2 The activity fund custodian did not periodically provide sponsors with a detail of their subaccounts. She only provided them with their account balance.
- 12-3 The second notice on verifications was not sent, and inventory on commodities was not maintained, and there were no specifications for food purchases.

The District implemented procedures to correct the prior year comments.

OTHER INFORMATION

**GERONIMO INDEPENDENT SCHOOL DISTRICT NO. 4
COMANCHE COUNTY, OKLAHOMA
SCHEDULE OF ACCOUNTANTS' PROFESSIONAL
LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2012 THROUGH JUNE 30, 2013**

State of Oklahoma)
) ss
County of Comanche)

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountants' Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Geronimo Independent School District No. 4 for the audit year 2012-2013.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL & MILLER
Certified Public Accountants

Pick Miller
By

Subscribed and sworn to before me this 21st day of October, 2013.

Patty Klein
NOTARY PUBLIC



SCHOOL'S CORRECTIVE ACTION PLAN
2012-13



Geronimo Public School



*800 West Main St.
Geronimo, Oklahoma 73543*

SUPT. 580-355-3801
ADMIN. FAX 580-357-8307
H.S. 580-355-3160
H.S. FAX 580-355-9670
ELEM. 580-353-0882

In response to 2013 audit comments 1-7:

13-1. Geronimo Schools will add information to our annual meetings regarding equipment purchased with federal funds being properly labeled with federal program and fiscal year purchased.

13-2. Geronimo Schools will reiterate procedures for Activity Fund Sponsors a minimum of quarterly each year.

13-3. Geronimo Schools will reiterate procedures for General Fund purchases to all staff members a minimum of quarterly each year.

13-4. Geronimo Schools will reiterate procedures for accepting goods or services a minimum of quarterly each year.

13-5. Geronimo Schools has corrected an oversight or misinterpretation of extra duty contracts. Even though an hourly wage is being paid and not a stipend anything outside of general employment will have an extra contract on file.

13-6. Geronimo Schools recently changed treasurer's and an oversight was made with regards to a surety bond. This has been purchased and corrected.

13-7. Geronimo Schools went slightly over on the allowable Child Nutrition carryover. We have since made a coding adjustment to rectify this situation. Our staff has a better understanding of this situation will strive to stay within the allowable limits going forward.



Geronimo Public School



*800 West Main St.
Geronimo, Oklahoma 73543*

SUPT. 580-355-3801
ADMIN. FAX 580-357-8307
H.S. 580-355-3160
H.S. FAX 580-355-9670
ELEM. 580-353-0882

Corrective Action Plan 2011-2012

Finding 2012-1

Statement of Condition: We noted several activity fund sub-accounts were not issuing receipts to all students, not filling out reconciliation forms for each fundraiser, and not documenting the source of revenue(fundraiser name) on all receipts issued.

Response: Sponsors will check out receipt books to use for their fundraiser and check them back in at the conclusion of the fundraiser. Description of fundraiser shall be noted on each receipt. Reconciliation sheets will be prepared at the conclusion of each fundraiser.

Finding 2012-2

Statement of Condition: The activity fund custodian did not periodically provide sponsors with a detail of their subaccounts. She only provided them with their fund balance.

Response: Sponsors shall be provided with a monthly detail of their subaccounts as well as initial their approval on a master list of subaccount balances to be reviewed by the board monthly.

Finding 2012-3: The second school lunch notice on verifications was not sent, an inventory on commodities was not maintained, and there were no specifications for food purchases.

Response: The district will self-monitor the child nutrition program annually. Employees will attend continuing education classes annually.

Finding 2011-1

Statement of condition: It appears that gate and concession sheets are not being signed by two individuals at the time they count the money. Sometimes there may not even be two workers at the gates.

Response: Two people will be present at the counting of gate and concession money. Two gate workers will be assigned to each gate duty.

Finding 2011-2

Statement of condition: During the testing of payroll calculations, we noted a \$2,520 overpayment to one employee.

Response: This was corrected during the 2011-2012 year.

Striving for Excellence